This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS HARARE 000865

SIPDIS

SENSITIVE

STATE FOR AF/S
NSC FOR SENIOR AFRICA DIRECTOR JFRAZER
USDOC FOR AMANDA HILLIGAS
PASS USTR FLORIZELLE LISER
STATE PASS USAID FOR MARJORIE COPSON
USDOL FOR ROBERT YOUNG
STATE FOR MARINDA HARPOLE

¶E. O. 12958: N/A

TAGS: <u>ELAB PHUM ETRD ECON EINV PGOV ZI ZCTU</u> SUBJECT: Tripartite National Forum Falters

Ref: A) Harare 00831

11. (SBU) Summary: Zimbabwe Congress of Trade Unions (ZCTU) refuses to restart Tripartite National Forum (TNF) talks due to GOZ's prior bad faith negotiation. ZCTU also refuses to join Reserve Bank Governor Gideon Gono's advisory panel for the same reasons. End Summary

Tripartite National Forum

- 12. (SBU) TNF offers a venue for government, labor, and employers to discuss the country's economic situation as equals. ZCTU General Secretary Wellington Chibebe claims that GOZ's unilateral 300% fuel price hike before TNF discussions on the issue were concluded demonstrated bad faith. GOZ then announced that ZCTU backed the fuel hike.
- 13. (SBU) ZCTU believes GOZ uses TNF talks to implement already formulated policies. The Employers Confederation of Zimbabwe (EMCOZ), which represents employers at TNF negotiations, understands ZCTU reluctance to re-join negotiations but they have agreed to participate.
- ¶4. (SBU) ZCTU places conditions on re-starting talks, including the lifting of prohibitive legislation regarding the holding of meetings, freedom of association, denial of bail, and press registration.

Gono's Own Private TNF?

- 15. (SBU) Gono told Ambassador Sullivan he will expand his advisory council to 29 members, including representatives from ZCTU and others in civil society. He claimed ZCTU agreed to join. However, the Solidarity Center local representative states that ZCTU places the same pre-conditions (See paragraph 4) on joining this panel. ZCTU will issue a critique of Gono's policies.
- 16. (SBU) Interestingly, in conversations with EMCOZ and the International Labor Organization (ILO), no one brought up Gono's panel expansion despite being prompted to do so. This suggests Gono has not advertised his plans too widely. He may be trying to create his own TNF and increase his power and position within GOZ.

Comment

- 17. (SBU) ZCTU's principled decision against both rejoining TNF discussion and sitting on Gono's advisory panel avoids a GOZ trap. As the fuel saga demonstrates, GOZ negotiates only with an eye for its own gain.
- 18. (SBU) EMCOZ agreed to the TNF negotiations (but made no mention of Gono's panel at all) due to their warmer relations with GOZ and fears that a refusal would sour those relations. In addition, EMCOZ members gain much more if they can influence GOZ thinking on issues like price controls and removing the Z\$824-US\$1 official exchange rate. ZCTU members benefit from such decisions only through a trickle-down theory, if at all.
- 19. (SBU) Gono's miscalculation of ZCTU's willingness to join his advisory panel may simply represent a mistaken belief. However, it may also indicate that the Reserve Bank Governor tends to tell his audience what he thinks they want to hear.